

Written Statement of

**Deborah Taylor Tate
Commissioner
Federal Communications Commission**

**Hearing on
Oversight of the Federal Communications Commission:
Media Ownership**

**Before the Subcommittee on Telecommunications and the Internet
Committee on Energy and Commerce
United States House of Representatives**

December 5, 2007

Summary of Written Testimony of Commissioner Deborah Taylor Tate

Since arriving at the Federal Communications Commission in January 2006, I have considered hundreds of issues. Our decisions on some of these, such as media ownership, will be among the most historically significant the Commission will make.

Since October 2006, we have held open public hearings across the entire country – literally from sea to shining sea – to provide an opportunity for thousands of American citizens to have unprecedented access to a governmental body about the role media plays in their lives, and their opinion regarding ownership of media outlets. Over my 20-plus years of public service – at all levels of government – I cannot remember a single time that an agency expended this much institutional energy and investment on an issue, or was this open and thorough regarding a matter of public interest.

Like many of you, I consider myself an avid consumer of news – from industry trade publications to local and national newspapers, from my hometown paper, The Tennessean, to the New York Times, from CNN clips to other online news sites, and tools such as alerts that are set to my personal news preferences. But my list of news sources pales in comparison to the number of sources accessed by many of our citizens, particularly the younger generation.

I share many commenters' concerns about the negative impact media can have, from extreme violence to exceedingly coarse language, to the impact on childhood obesity. I also continue to be troubled by the statistics regarding the disappointingly low rates of female and minority ownership we see in the media industry.

I look forward to hearing your thoughts and working with you on these and many other important issues facing the Commission, Congress, and our nation.

STATEMENT OF COMMISSIONER DEBORAH TAYLOR TATE

House Committee on Energy and Commerce

December 5, 2007

Mr. Chairman, Members of the Committee, it is an honor to appear before you today as a member of the Federal Communications Commission. Since arriving at the Commission in January 2006, there have been hundreds of issues before us – some ministerial, yet even though those are important to parties who are affected; others of national and even international significance – which foster competition, encourage innovation and help ensure our global competitiveness for years to come. A few of the issues before the Commission have received more attention than others, perhaps because of the public nature of the deliberative process surrounding them and their lasting impact. From the remand of our media ownership rules, to coordinating with the industry for a successful DTV Transition, from our fiscal responsibility in managing spectrum allocation for new and innovative services, to encouraging the nationwide deployment of broadband, especially as it relates to the interoperability of our public safety services, all of these have been at the top of our agenda since I arrived. These decisions will be among the most historically significant the Commission will make and therefore should command your attention as well as the public's. We are here today to seek and listen to your input on one of these in particular – media ownership.

Since October 2006, we have held open public hearings across the entire country: Los Angeles and El Segundo, California; Tampa, Florida; Harrisburg, Pennsylvania; Chicago, Illinois; Seattle, Washington and I was so glad to welcome my colleagues to Belmont University in my hometown of Nashville. These lengthy hearings – literally from sea to shining sea – provided an opportunity for thousands of American citizens to

have unprecedented access to a governmental body about the role media plays in their lives and their opinion regarding ownership of media outlets. Over my 20-plus years of public service – at all levels of government – I cannot remember a single time that an agency expended this much institutional energy and investment on an issue, or was this open and thorough regarding a matter of public interest. We invited comment not only from the general public, but also from expert panels of economists; TV, radio, and film producers; musicians; directors; professors; students; small and large TV and radio broadcasters, and community organizations. During the roughly year and a half of on-going hearings, we also arranged for ten media studies by experts – preeminent economists, academics, and researchers – and also released all of those studies for public comment and peer review.

Never before has so much competition existed for the eyes and ears of American consumers of news and information, wherever, whenever, and however, over any device they may choose. This competition is cross-platform, and it includes newspapers and broadcasters, of course, but also cable, satellite and wireline networks and, increasingly, mobile networks. And as more platforms offer access to the Internet, the breadth of our sources only expands.

Like many of you, I consider myself an avid consumer of news – from industry trade publications to local and national newspapers, from my hometown paper, The Tennessean, to the New York Times, from CNN clips to other online news sites, and tools such as alerts that are set to my personal news preferences. But my list of news sources pales in comparison to the number of sources accessed by many of our citizens, particularly the younger generation.

I have said it countless times, but I want to reiterate it again today. We must structure our media ownership rules to account for the needs not just of our generation, but of the next generation. The “I-Generation,” as they are often called, lives in an online world, with access to local, national, and international news sources we could only have dreamed of at their ages.

I share many commenters’ concerns about the negative impact media can have, from extreme violence to exceedingly coarse language, to the impact on childhood obesity. I also continue to be troubled by the statistics regarding the disappointingly low rates of female and minority ownership we see in the media industry. During my tenure at the Commission, I have tried not merely to talk about the issues, but to work with others to find solutions, both inside and outside the Commission, which could have a positive impact. Over the past year, I participated in the NAB Education Foundation series for women and minorities who are interested in purchasing and operating a local broadcast station; I attended the Hispanic Broadcasters Association Financing and Capitalization Seminar; and I have worked with the National Association of Black Owned Broadcasters at other outreach events. At these events, when women and minority broadcasters discuss challenges they face, financing is always at the top of the list. This is true with those who are just starting out, and those who have been in the industry for years. I am very pleased that the Commission is presently considering a number of proposals to assist women and minorities, specifically with both capital and debt financing. In addition, I have offered to lend my support to an annual conference to partner potential financiers with broadcasters to discuss investment opportunities. Another recommendation before the Commission is allowing minority and women

broadcasters to purchase expiring construction permits, and giving them the duration of the permit, or 18 months, to complete construction. Finally, we continue to discuss changing the Equity-Debt Plus (EDP) attribution rule so that investors' concerns with ownership limits will not prevent them from making investments they would otherwise consider.

Let there be no doubt that women – many of whom are also African-American – are indeed succeeding in this industry. Look for example at Cathy Hughes, founder and chairperson of Radio One/TV One, Inc., the largest African-American-owned and operated broadcast company in the United States, or Susan Davenport Austin, Vice President and Treasurer of Sheridan Broadcasting Corporation, which manages the only African-American-owned national radio network. And then there is Caroline Beasley, Executive Vice President and CFO of Beasley Broadcast Group, Inc., the 18th largest radio broadcasting company in the country, and Susan Patrick, co-owner Legend Communications, who has been in the media brokerage business for more than 20 years. I hope that we will employ every possible avenue to have a more positive impact on the diversity of both voices and ownership.

I look forward to hearing your thoughts and working with you on these and many other important issues facing the Commission, Congress, and our nation.